

COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) CHECKLIST

CRITERIA	REQUIRED EVIDENCE
Legal Status	
1. Must be organized under State or Local Law	Charter or Articles of Incorporation
2. Must not be a part of net earnings inure to the benefit of any member, founder, contributor, or individual	Charter or Articles of Incorporation
3A. Must have a Tax Exempt ruling from the IRS under Section 501(c) 3 or (4) of the Internal Revenue Code of 1986 - OR	501 (c) (3) or (4) Certificate from the IRS
3B. Must be classified as a subordinate of a central organization non-profit under Section 905 of the Internal Revenue Code	IRS Group Exemption letter that includes the CHDO
4. Must have among its purposes, the provision of decent housing that is affordable to low and moderate income people	Charter, Articles of Incorporation, By-laws or Resolution
Capacity	
5. Must conform to the financial accountability standards of 24 CFR 84.21 "Standards for Financial Management Systems"	Notarized Statement by the President or CFO, Certification from a Certified Public Accountant or a HUD approved Audit Summary
6. Must demonstrate capacity for carrying out activities assisted with HOME funds	Resumes and/or Statements describing the experience of key staff members who have successfully completed projects similar to those to be assisted with HOME funds or Contract(s) with consultant firms or individuals af same criteria
7. Must have a history of serving the community within which housing to be assisted with HOME funds is to be located	Statement that documents at least one year of experience in serving the community or for newly created organizations formed by local churches service or community organizations, a statement that documents that its parent organization has at least one year of experience in serving the community
Organizational Structure	
8. Must maintain at least 1/3 of its governing board's membership for low-income representation	By-laws, Charter or Articles of Incorporation stating that low income representation will be fulfilled by either being a low-income representative, resident of another low income community (City or County) and/or elected representative of low-income neighborhood organizations. Also, see * below

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9. Must have a formal process for low income residents to advise the organization in all of its decisions such as design, siting, development, and management of affordable housing projects	By-Laws, Resolutions or a written statement of operating procedures approved by the governing body
10. The Board Representation is restricted to (1) not more that 1/3 appointed by the State or local government (2) the said appointees cannot appoint the remaining 2/3 of the Board members and (3) no more than one third of the governing board members are public officials (including any employee of the City)	By-laws, Charter or Articles of Incorporation
11. If sponsored or created by a for-profit identity, the for-profit entity may not appoint more than 1/3 the membership and the board members appointed by the for-profit entity may not appoint the remaining 2/3 of the members	By-Laws, Charter or Articles of Incorporation
Relationship with For Profit Entities	
12. Must not be controlled nor receives directions form individuals or entities seeking profit from the organization	By-Laws or a Memorandum of Understanding (MOU)
13. May be sponsored or created by a for-profit entity however the for-profit's primary purpose does not include the development or management of housing	For Profit organizations by-laws
14. Must be free to contract for goods and services from vendors of its own choosing	By-Laws, Charter or Articles of Incorporation
15. A minimum of five (5) board members must be maintained effective October 1, 2005	By-Laws, Charter or a written statement of Operating Procedures approved by the governing body
16. A minimum of one (1) meeting per quarter must be held.	By-Laws, Charter or a written statement of Operating Procedures approved by the governing body, copies of minutes to be provided upon request by Staff

*Names and addresses of all board members must be submitted by October 1, 2005 specifying the low-income representation